



**ENTERED**  
**07/25/2007**

**UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF TEXAS  
HOUSTON DIVISION**

IN RE: §  
RUSSELL W. FRENCH § NO. 05-93655-H5-13  
DEBTOR §

## AGREED ORDER CONFIRMING CHAPTER 11 PLAN

The plan under Chapter 11 of the Bankruptcy Code filed by the Debtor, Russell W. French on November 6, 2006, as modified by an amended plan of liquidation filed on June 25, 2007 (the “Plan”) came on for consideration by the Court for confirmation . The Court finds that General Insulation Company, Inc. (“General Insulation”), made the only objection to the Plan’s confirmation, and that the Debtor and General Insulation have entered into a resolution of their disputes as embodied in this Order and upon which General Insulation relies in foregoing the filing of a complaint pursuant to 11 U.S.C. §727. The Court further finds that the Plan, having been transmitted to creditors and equity security holders; and it having been determined after hearing on notice that the requirements for confirmation set forth in 11 U.S.C. § 1129(a) have been satisfied, should be confirmed with the following modifications.

**IT IS ORDERED** that:

- A. The Amended Chapter 11 Plan of Liquidation filed by Russell W. French, Debtor, on June 25, 2007 is confirmed with the following modifications, which are set forth below:
1. The classification of claims and interests on Page 5 of the Amended Plan of Liquidation shall be amended as follows:
- 2.05 Class 5 - Allowed Claims of the General Unsecured Claimants Which are Not Held by Insiders.
- 2.06 Class 6 - *[deleted]*

2. The following language shall be added on page 5 of the Amended Plan of Liquidation under **IV. Specific Treatment of Claims** and before the heading **Class 1 - The United States Trustee.**

The payment of all claims as described hereinafter shall be made from the Net Proceeds, except for payments to Class 3 claimants. The only Class 3 claimant to receive payment from the Net Proceeds is National City Mortgage, who shall be paid the amount of the pre-petition arrearage on the mortgage in the amount of \$5,085.69 plus accrued interest at 8% from the date of the commencement of the bankruptcy case until payment, estimated to be \$715.62, on the effective date of the Plan.

3. The third sentence of the paragraph on page 6 of the Amended Plan of Liquidation which describes the treatment of the Class 3 claims under the paragraph entitled **Class 3 - Allowed Secured Claims** shall be amended to read as follows:

The secured claimants shall be paid by the Debtor in accordance with the terms of their respective loan documents, and applicable state law.

4. The following language shall replace the paragraph on page 6 of the Amended Plan of Liquidation which describes the treatment of the Class 5 claims and expenses under the paragraph entitled **Class 5 - Allowed Claims of the General Unsecured Claimants Which are Not Disputed and Not Held by Insiders.**

**Class 5 - Allowed Claims of the General Unsecured Claimants Which are Not Held by Insiders.** Class 5 is impaired and consists of the Allowed Unsecured Claims, which are not held by Insiders, in the aggregate amount of \$627,896.84, as reflected on the attached schedule. The funds remaining from the Net Proceeds following payment of Classes 1 through 4, shall be distributed pro-rata to the Class 5 Claimants following payment of Classes 1 through 4, and on or before sixty (60) days after the Effective Date.

5. The paragraph on page 6 of the Amended Plan of Liquidation which describes the treatment of the Class 6 claims and expenses under the paragraph entitled **Class 6 - Disputed Claims** shall be deleted in its entirety.
6. The first sentence of paragraph 5.01 on page 6 of the Amended Plan of Liquidation shall be amended to read: "All Class 4 and Class 5 Creditors are impaired under the Plan and are entitled to vote to accept or reject the Plan."


B. General Insulation's amended proof of claim is allowed as a general unsecured claim in the amount of \$373,568.26 entitled to treatment as a Class 5 creditor, and the Debtor does not object to this claim. The Court further finds that General Insulation agrees not to contest any further matters against Russell French (the Debtor) and/or Amex Insulation Co., Inc., or to institute contested matters in this bankruptcy case or the related case No. 05-91861, *In re Amex Insulation Co., Inc.*, pending in this Court and the Debtor <sup>and AMEX</sup> agrees not to continue or institute contested matters against General Insulation in this bankruptcy case or Case No. 05-91861. The Court finds that the parties' agreement is in the best interest of the estate and its creditors, and hereby approves such agreement. *31 AG*


C. The Debtor shall serve a copy of this Order on the United States Trustee, all creditors, parties in interest and parties requesting notice within three days of the date of this Order, and such notice shall constitute effective notice of the amendments and modifications set forth in this Order. All parties receiving such notice shall be forever bound by the Debtor's Amended Plan of Liquidation, as amended and modified herein, unless an objection, only to the modifications described herein, is properly filed and served on counsel for the Debtor so as to be received by the close of business no later than ten (10) days following service of this Order.

Dated: July 25, 2007.

  
KAREN K. BROWN  
UNITED STATES BANKRUPTCY JUDGE

AGREED:

  
/s/ C. Zan Turcotte  
C. Zan Turcotte  
Attorney for Debtor

  
/s/ Alan S. Gerger  
Alan S. Gerger  
Attorney for General Insulation Co., Inc.

**CLASS 5 CLAIMANTS**

<b>Claimant</b>	<b>Class 3</b>	<b>Class 5</b>
American Express		16,518.35
AT&T		119.03
Bank of America		5,193.76
Capital One		1,200.00
Capital One		424.51
Capital One		2,747.06
Dell Financial		1,371.42
Dish Network		700.00
Exxon		738.39
FGH Fabricators		33,371.74
GEMB/Lowes		681.22
General Insulation		373,568.26
Home Depot		6,172.23
IRS		1,871.56
Houston Cardiovascular		857.11
J C Penney		351.92
La Porte Medical		1,619.37
Margie Sykes Howard		183,237.47
Michael Coselli MD		25.00
National City Mortgage	5,085.69	
National City Mortgage - est. interest [642 days]	715.62	
Nextel Communications		864.86
Sears		886.93
Sears		8,159.67
Shell		1,137.27
Sprint		864.86
TMHOP		15.10
Wells Fargo (Gallery Furniture)	2,000.00	1,718.10
<b>TOTAL</b>	<b>7,801.31</b>	<b>627,896.84</b>